

State of California
BOARD OF EQUALIZATION

ALCOHOLIC BEVERAGE TAX REGULATIONS

Regulation 2541. COMMON CARRIER TAX REPORTS.

Reference: Section 32202, Revenue and Taxation Code.

Every common carrier engaged in interstate or foreign passenger service making sales of distilled spirits in California and every person licensed to sell distilled spirits aboard such a carrier, shall, on or before the first day of the second calendar month following the close of each calendar month, or such other reporting period as is authorized by the Board, file with the Board at Sacramento, a report of all sales of distilled spirits in California for the preceding reporting period. The report shall be in such form as the Board shall prescribe and shall be accompanied by a remittance of the amount of tax due for the period covered by the report.

For the purpose of making these reports, such common carrier or other licensed person may compute its sales of distilled spirits in California by allocating a portion of the total distilled spirits sales for the entire system serviced by the reporting taxpayer to California based on the ratio that passenger miles in California bears to total passenger miles for the entire system served by the reporting taxpayer. The ratio of passenger miles in California to total passenger miles may be determined by tests. New tests should be made when there is any significant change in routes, schedules, or other operating conditions. The test will be made by the reporting taxpayer and will be subject to review by the Board. All detail and test data should be retained for inspection by the Board.

This method of computing sales of distilled spirits in California is authorized only for the purpose of making reports under this regulation. Determinations may be imposed or refunds granted if the Board, upon audit of the taxpayer's accounts and records, or upon the basis of tests or other information, determines that the report did not disclose the correct amount of tax due.

A report must be filed for each reporting period even though no sales of distilled spirits were made in California during that period. Any person who fails to file a timely report and pay any tax that may be due shall be required to pay the applicable penalties and interest as provided by the Alcoholic Beverage Tax Law.

History: Effective April 17, 1955.

Amended September 5, 1969.

Amended May 4, 1976, effective June 5, 1976.

Amended June 27, 1979, effective August 12, 1979. Added second and third paragraphs regarding computation by formula based on tests.